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BROWNFIELDS ARE BECOMING PLACES OF OPPORTUNITY

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Once it bustled with enterprise. Now the factory is abandoned, its windows broken. The land lies barren. Weeds and scraggly grass push toward the sky. Rusted drums litter the site, many still full of dangerous chemicals. The lot is bordered by a recreational center, an elementary school, and homes. Children sneak into the area to play.

Hundreds of thousands of such properties exist throughout the United States, affecting virtually every community. They are known as brownfields. They are not contaminated enough to pose serious public-health risks and, therefore, do not qualify for Superfund cleanup. However, many brownfields do contain enough toxic waste or a sufficient possibility of contamination to discourage the use of such property by developers and businesses.

Brownfields are relics in our nation's industrial history, left behind in the last 40 years of change across the country. Manufacturing industries and jobs fled from North to South, to the suburbs, to offshore areas, and to other countries. Cities and regions were left with deteriorating buildings, decayed equipment, and poisoned land.

But where some saw blight, others saw opportunity. Since 1993, the Environmental Protection Agency has been operating a comprehensive program to restore brownfields. Over the years, the Agency has expanded its efforts in restoring these areas, making the program an important accomplishment of the Clinton Administration. In 1997, EPA's budget for brownfields was \$37.1 million. In 1998 that figure will grow to \$87 million, compared with the budget of \$1.4 billion for Superfund. For a comparatively small investment, the brownfields program is seeing positive results.

Under EPA's program, federal, state, tribal, and local governments are working with private parties, nonprofit organizations, and local communities to revive brownfields. These groups are assessing the environmental contamination in brownfields, cleaning them up, and reusing them. Liability for the cleanup is being elucidated; complex and murky guidelines are being streamlined and clarified. EPA is also working with various organizations to expand environmental education and training in brownfields communities throughout the country. All of these efforts are expected to increase

property values, stimulate tax revenues, and revive inner-city neighborhoods.

These endeavors are injecting new life and new hope into brownfields. Every site is unique, and we encourage innovation through our national pilot selection process. I have visited many brownfields sites and have sensed their potential. I have seen that the efforts of all those involved are yielding results. Brownfields are becoming opportunities instead of obstacles. In many different places and in many different ways, people are renovating abandoned sites with zeal and creativity.

In Buffalo, New York, longtime resident Nelson Rauch is carrying out an ambitious plan to turn part of a contaminated Republic Steel site, abandoned for a decade, into a 35-acre hydroponic tomato farm. His enterprise, Village Farm of Buffalo, will use no soil. The plants will grow above ground, fed with liquid nutrients.

Despite the site's waterfront location, city officials had problems attracting developers. EPA's \$200,000 grant stimulated business by creating a forum for state, local, and federal officials to share ideas and develop working relationships. EPA also removed the site from the Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS), thereby assuring the parties that no federal action was expected.

Financing has been secured for the new enterprise, and ground was broken in September. When fully operational, the venture is expected to employ 165 local workers and will represent a \$15 million private investment for the city.

Clean, odorless fuel will power this nonpolluting industry, with water and heat recycled through the system. No harmful fertilizers or pesticides will be used. Beneficial insects will control pests, and bumblebees will pollinate the seedlings. The plants will be grown in a substance similar to steel wool, called rock wool. Computers will regulate the waterborne nutrients fed to the plants.

Under another ambitious plan, Cape Charles, Virginia, is being transformed from a ghost town to a community that is economically alive. Cape Charles is near the southern tip of Virginia's Eastern Shore on a narrow strip of land between the Atlantic Ocean and the Chesapeake Bay. Founded in 1886 as a port for traffic moving up and down the Eastern Shore, it prospered for nearly a century. But in 1965, a 17.6-mile, two-lane bridge and tunnel complex was constructed between the Eastern Shore and the Norfolk area, replacing the ferries, barges, and railroad. The city lost its economic base. Today, it is a rural

wasteland, littered with piles of refuse and old rail cars. Thirty percent of the residents live in poverty; 10 percent do not have indoor plumbing.

Before receiving EPA's grant of \$200,000, Cape Charles had seen many redevelopment efforts. The President's Council on Sustainable Development had selected Cape Charles as one of four sites for a national eco-industrial park demonstration project, the Cape Charles Sustainable Technologies Industrial Park. The city had already formed partnerships with Northhampton County and many federal, state, and local organizations. The EPA grant money is helping the interested parties assess the contamination at the park site, which includes a former municipal dump, dockside, rail yard, and the remains of abandoned industrial operations. The goals for the park go beyond the revitalization of the local industrial economy and historical port of Cape Charles, the creation of opportunities for jobs that would support families, and the creation of training opportunities for local residents. The park also is intended to serve as a national prototype of an integrated approach to land development and industrial operations and a model for preserving the traditional architecture of Eastern Shore towns and employment centers.

The first industry to locate in the park will be Solar Building Systems, which produces siding and roofing materials that contain energy-producing solar panels used by builders and utility companies. The company plans to build a \$1.5 million plant and will hire at least 30 people. Solar is eager to employ the local work force for assembly of electronic parts. The manual dexterity many have developed from years of crab picking is immediately transferable to solar panel production, and workers will need only brief training. The new industry will offer more opportunities to local workers, many of whom previously worked in seafood processing plants.

In Pittsburgh, the brownfields program is helping restore several sites. Some people used to consider Pittsburgh a dying city, due to deterioration of its industrial base, in particular, the steel and related metals industries. Many of the processing sites for these industries had been abandoned.

But things can change at these and other abandoned sites. Nine-Mile Dump, for example, appears to be two gray mountains of slag, east of the downtown area between Frick Park and the Monongahela River. For a century, the steel industry dumped slag, a gravel-like byproduct formed while smelting metals or ores, on the 238-acre site.

In 1972, the last slag was dumped at the site. In 1982, the City Department of Planning recommended that private homes be built on the site. In the next few years, the city, the state, and private developers considered building a new highway in the area, along with a mega-mall and office center. The Pennsylvania Turnpike Commission considered the highway proposal for several years, but eventually discarded it, noting it would provide only minimal relief for traffic congestion.

In February 1995, Pittsburgh received an EPA brownfields grant of \$200,000. The funding enabled it to inventory the sites with potential, including Nine-Mile Dump, and to make environmental assessments. The brownfields grant by EPA has brought community groups closer together and generated increased interest from investors and developers. What had been viewed only as barren land with potential liability is now envisioned as a site with appeal for both families and businesses.

By October 1995, the city bought the site for \$3.8 million. It took the lead and invested \$50 million to \$60 million toward development of a new community. Between 900 and 1,000 houses are to be built on top of the 20 million cubic yards of slag in the dump, an unheard-of use for such a mountain of debris. Before building, the city plans to level and regrade the slag piles and then add organic topsoil to the top three feet of slag to foster attractive vegetation. Removing the slag would be prohibitively expensive, even if it were recycled into roadbed material.

The development will use funds from bonds to be issued for water and sewer lines, and new houses are expected to go on the market next year. All units should be completed within 10 to 15 years. The houses are being built along the waterfront, in a park-like setting. Prices for these upscale units will range from \$150,000 to \$500,000.

EPA first responded to the need for brownfield revitalization in 1993, when it issued its Brownfields Economic Redevelopment Initiative. The federal government pledged funds, technical assistance, and staff to help revive these areas. The government encouraged states, communities, and other interested parties to work together to assess, clean up, and reuse brownfields.

In November 1993, EPA launched its first pilot demonstration project, a \$200,000 grant to Cuyahoga County in the greater Cleveland area. The Cleveland communities used the money to attract developers to restore the sites to new uses. The city gained \$5.4 million in new private investment. The Cleveland pilot became a model for brownfields communities across the country.

Then in 1995, EPA announced the first Brownfields Action Agenda. The Action Agenda was a road map for returning abandoned sites to productive use: awarding Brownfields Assessment Demonstration Pilots, clarifying liability and cleanup issues, building partnerships among all brownfields stakeholders, and fostering the long-range job-training programs for the local work force as well as providing on-the-job training. (For example, EPA is cooperating with the Hazardous Materials Training and Research Institute, a private national organization, to develop curricula in environmental protection for community colleges in brownfield areas).

By the end of 1997, EPA had awarded Brownfields Assessment Demonstration Pilots of up to \$200,000 to 121 localities to focus the attention on brownfields by such stakeholders as developers, communities, and bankers. In addition, EPA has awarded 24 grants of up to \$350,000 to capitalize revolving loan funds for cleanup. EPA also removed more than 30,000 lower-risk properties from its list of potential Superfund sites, signaling to companies they could invest in those locations without incurring the high cleanup costs associated with Superfund.

By late 1996, EPA had completed all of its commitments on the Action Agenda, but it was clear from the pilot communities that more work was needed. On May 13, 1997, Vice President Gore announced the Brownfields National Partnership Action Agenda. It boasts over 100 commitments from more than 25 organizations—including more than 15 federal agencies—to speed cleanup and development at some 5,000 properties throughout the country. The commitments represent a \$300 million federal investment in cleanup and redevelopment and an additional \$165 million in loan guarantees. These funds are expected to leverage anywhere from \$5 billion to \$28 billion in private investment, supporting the creation of up to 196,000 jobs.

In addition to EPA's role, the federal investment includes economic development funds from the Departments of Commerce and Housing and Urban Development, health protection funds from Health and Human Services, job training initiatives from Veterans' Affairs, Labor, and Education, and funding for federal departments to review and restore their own brownfield holdings.

The federal agencies are in the process of selecting 10 communities across the country to receive technical and financial assistance. They will be selected through a competitive process, open to all interested communities. These communities will be called Brownfields Showcase Communities and will serve as national models

of brownfields collaboration. They will demonstrate the benefits of coordinated attention on brownfields from federal agencies, state and local governments, and the private sector.

To date, the Clinton Administration has awarded 121 pilot grants, totaling more than \$20 million, to cities and towns across the country to use as seed money for jump-starting their cleanup and re-development. Each pilot is also expected to serve as a model for other communities struggling with similar problems.

In August 1997, the President approved the Brownfields Tax Incentive by signing the Taxpayer Relief Act of 1997 to encourage cleanups. President Clinton's plan will provide a \$1.5 billion tax incentive, expected to spur \$16 billion in private investment and to restore as many as 14,000 brownfields properties throughout the nation. Businesses will now be able to deduct the costs of cleaning up these properties the first year, rather than depreciating them over the life of the property. The plan would aim at the areas of greatest need, such as those with a poverty rate of 20 percent or more, brownfields pilot communities, and cities federally designated as empowerment zones and enterprise communities.

The brownfields program has led to new hope. Already, Buffalo, Cape Charles, Pittsburgh, and other cities are being revived. The brownfields program works for neighborhoods and for the country. Signs that warn of dangerous premises are giving way to signs that proclaim new houses for sale. New jobs are coming to brownfields areas along with revitalization. Americans are turning the ruins of industry into new places for development as they save the "greenfields" outside their cities.